



STATE OF WASHINGTON

BOARD FOR VOLUNTEER FIREFIGHTERS & RESERVE OFFICERS

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November 20, 2009

The November 20, 2009 special meeting of the Board for Volunteer Firefighters and Reserve Officers was convened at 9:00 A.M. in Suite #112 in the James R. Larson Forum Building by Chair Ken Boad, with Board Member Jay Hughes, Board Member Mark Watenpaugh, Board Member Martin Spani, Board Member Miland Walling, Assistant Attorney General Kyle Crews, Associate Pension Actuary Chris Jasperson, Actuarial Assistant Michael Harbour, Executive Secretary Brigitte Smith, Confidential Secretary Tracy Thornburg, Payroll and Pension Specialist Irene Keiffer, and Claims Analyst Julie Ikenberry present.

FIRST HEARING OF THE PUBLIC

No public wished to speak.

AGENDA ITEMS

Chair Boad started by thanking Mr. Jasperson and Mr. Harbour for attending the meeting while the Board worked to sift through the cash balance and decide on how much should be transferred over to the State Investment Board for investing. Chair Boad asked Secretary Smith to review the issues surrounding the cash balance. Secretary Smith stated that the Board had amassed a large cash balance in the Treasury throughout the years. While that helped to cushion the benefit fund against the stock market crash, it was now time to think about moving some of the balance over to the State Investment Board (SIB) for investment in the stock market, since the market appears to be turning around. The Board reviewed the last correspondence from the Actuary's Office that stated that the Board needed to have between 15% and 18% of its assets in cash at the Treasury to realize the 7% investment return assumption. With almost 30% of the current assets as cash, the Actuary would only be able to foresee a 6.5% return. The Board members emphasized that they would still like to meet with representatives from the SIB about how the SIB works and how the money is invested. Although representatives from the SIB were unable to attend this meeting, Secretary Smith assured them that they were very interested in attending a meeting and someone scheduled to attend the December meeting. There was a move by Watenpaugh, seconded by Spani, and carried, that the Board set a policy to maintain as close to a 15% cash asset allocation as possible. Secretary Smith was directed to contact the SIB as soon as possible to arrange a transfer of \$20 million from the Treasury to the SIB.

Mr. Jasperson informed the Board that this would be the last time that he would be working with the Board, since he had accepted a new position in Seattle. Chairman Boad expressed the Board's gratitude for all that Mr. Jasperson had done throughout the years. It is sometimes very difficult for any Board member to understand Actuarial Valuations and Calculations, but both Mr. Jasperson and Mr. Harbour have been great throughout their years of service and Mr. Boad felt as though he had a much better understand than he had when he first joined the Board. Mr. Jasperson always delivered information with a sense of humor and a groundedness that the Board hadn't encountered before. The Board wished Mr. Jasperson luck and asked him to contact the agency if there was ever anything the Board could do for him.

SECOND HEARING OF THE PUBLIC

No public wished to speak.

There was a motion by Hughes, seconded by Walling, and carried that the meeting be adjourned at 9:47 a.m.

Brigitte K. Smith, Executive Secretary

